

This record is a partial extract of the original cable. The full text of the original cable is not available.

UNCLAS SECTION 01 OF 03 HALIFAX 000101

SIPDIS

SENSITIVE

FOR WHA/CAN

E.O. 12958: N/A

TAGS: [PGOV](#) [ECON](#) [CA](#)

SUBJECT: ATLANTIC CANADA: PRE-ELECTION SOUNDINGS

SENSITIVE BUT UNCLASSIFIED -- PROTECT ACCORDINGLY

11. (SBU) SUMMARY: The consensus of opinion among political observers in Atlantic Canada is that Prime Minister Martin will call an early summer election. While the region's 32 seats in Parliament are a relatively small bloc, they could make the difference in a close election between a minority and majority government. Liberals think that Paul Martin will be much more popular than Stephen Harper in the region, and that they will be able to steal some Conservative seats. Both Conservatives and the NDP think voters are tired of the scandal-plagued Liberals and ready for a change. However, our early guess is that there will not be any seismic shifts in party alignment as a result of the general election. END SUMMARY.

12. (SBU) The possibility of a federal election call in the near future has Atlantic Canadian parties and politicians nominating candidates, filling the campaign coffers and positioning themselves to be ready when the writ is dropped. The timing of the election is of course known only to the Prime Minister, but the expectation in this region seems to be generally for an early summer contest. Federal Infrastructure Minister Andy Scott, for example, told CG that he does not expect Parliament to be recalled after the Easter recess, implying a late May/early June election. A prominent Halifax Liberal who recently met with the PM said that Martin was upbeat about the party's prospects and recent polling data showing that Liberal support is recovering after a dip caused by the sponsorship scandal; our contact thinks the election will be held -- barring some unforeseen new scandalous revelation -- by the end of June at the latest. Others expect the election to be called just after the Prime Minister meets with the President, although some cite the PM's desire to attend the 60th anniversary ceremonies for D-Day as a reason that the election call will not be made until early June.

13. (SBU) Atlantic Canada has 32 MPs and over half of the region's seats are currently held by Liberals. The top-of-mind issues for most Atlantic Canadians are health care, the economy and jobs, similar to the rest of the country. Smaller but still significant groups watch developments in federal fisheries and environmental policies closely. The region as a whole tends to be "small c" conservative on many social issues, particularly in rural areas (as an illustration, Nova Scotia does not have Sunday shopping and it is unclear if a promised referendum on the issue will change that), but topics like gay marriage and the gun registry do not excite the same level of passion that they seem to in other regions. "Small l" liberalism is concentrated in the cities, which are growing in population relative to the countryside, something that has been reflected in re-drawn riding boundaries for the next election. Atlantic Canadian voting patterns can be contrarian, as the recent Conservative Party leadership showed -- the region bucked the national trend toward Stephen Harper and generally supported Belinda Stronach.

PAUL MARTIN: TARNISHED BUT STILL POPULAR?

14. (SBU) Selection of candidates is important in many parts of the region, and voters are often more comfortable with a long-serving local politician or other community figure who is a known quantity. Nevertheless, a popular national leader can have long coat tails as well and tip the balance in close races. Liberals in Atlantic Canada will run a campaign emphasizing their leader, Prime Minister Paul Martin, whom they believe to be the major party leader most trusted by voters in the region. In addition they have a slate of experienced MPs, most of whom will be running again.

15. (SBU) The Liberals are also making maximum use of incumbency by doing their part to spread government largesse in the area in advance of an election, with Liberal cabinet members prominently announcing in recent weeks new federal funding for university research and Halifax harbor cleanup, among other items. The recent announcement of a 55% increase in the allowable snow crab catch also will not hurt their chances at the polls with people who make their living in the fishery.

THE HARPER FACTOR

16. (SBU) Although he has stressed his family's New Brunswick

roots, and has appointed a Nova Scotian as his deputy leader, Conservative Stephen Harper is still viewed with some skepticism in Atlantic Canada, primarily for his comments about the region's "culture of defeat." He generally ran poorly in Atlantic Canada during the leadership contest, although he did well in ridings where he was either endorsed by a sitting MP (such as NB Southwest's Greg Thompson) or where he was able to campaign in person (such as Halifax). Harper has made the effort to reach out to the region, making early trips to New Brunswick and Nova Scotia, and has tried to clarify and soften his earlier call for the elimination of the Atlantic Canada Opportunities Agency.

17. (SBU) How well Harper plays in Atlantic Canada will be a key to how well the Conservatives do here in the next election. Conservatives in all four provinces profess to be delighted with the party merger and with Harper's clear emergence as leader. They say the party can now stop splitting the conservative vote and unite to face entrenched Liberals. Nevertheless, there are many "red Tories" in the region who are privately still somewhat ambivalent about Harper's Reform Party background. Furthermore, since Reform/Canadian Alliance never polled significantly in Atlantic Canada, uniting the right as a practical matter will not help Conservative fortunes much since the vote here was not seriously split. New Brunswick MP John Herron has gone public with his concerns about the merger, refusing to join the new party and sitting in the House as an "Independent Conservative" until the next election when he will run as a Liberal.

A PROTEST VOTE FOR THE NDP?

18. (SBU) Newfoundland and Labrador NDP leader Jack Harris told CG that "optimists" in his party are predicting 60 federal seats in the next election, many the result of a protest vote against the scandal-plagued Liberals. Harris clearly thought that estimate was high (COMMENT: So do we. END COMMENT), but he was confident that the party would pick up seats nationwide in the next election. Nova Scotia NDP leader Darrell Dexter, while uneasy predicting a specific seat total, says he thinks a minority government is a real possibility after the next election. As one who is the leader of the opposition to a minority Tory government, he is not enthusiastic about the same thing at a national level.

19. (SBU) Jack Layton, at least as of now, does not seem to be registering too strongly with voters in the region. Only in Nova Scotia does the NDP have a noticeable presence at the provincial level; and one of the party's sitting federal MPs (Wendy Lill of Dartmouth) will not run again because of health concerns. On balance the NDP's chances of significantly improving its seat total in Atlantic Canada do not seem all that great.

PROVINCE-BY-PROVINCE

110. (SBU) NOVA SCOTIA

The region's most populous province has 11 federal MPs: five Liberals (including Fisheries Minister Geoff Regan, former minister Robert Thibault, U.S. relations czar Scott Brison and Parliamentary Secretary Mark Eyking), three Conservatives (including Deputy leader Peter MacKay) and three NDP (including former leader Alexa McDonough). Conservatives will target their former member Scott Brison who crossed the floor to sit as a Liberal; Stephen Harper has already appeared at the riding meeting to select Brison's Conservative opponent and has said that he would "pop in" more than once during the general election to campaign for Brison's Conservative challenger and return the riding to it's "traditional" blue. The NDP, usually strongest in the cities, will go after Geoff Regan's Halifax West seat and the Conservative-held South Shore riding where they perceive a weak candidate.

111. (SBU) Liberals are confident they can gain one or more of the Conservative-held seats in the province; the NDP thinks it can pick off at least one Liberal and one Conservative; Conservatives think Brison is vulnerable. Progressive Conservative Premier John Hamm, who leads a minority government, and was careful to stay away from endorsing anyone in the leadership race, will throw his weight behind the Conservative candidates, which could help in close races.

112. (SBU) NEW BRUNSWICK

Six of New Brunswick's 10 seats are Liberal, and John Herron will run as a Liberal in the next election. The Conservatives have two seats: one seems relatively safe while the other, vacated by the retiring Elsie Wayne, is up for grabs. One notable non-candidate in the next election, former Premier Frank McKenna, told CG that he had been encouraged by the Prime Minister to re-enter politics, but that the PM was not able to deliver a promised Moncton-area riding from which to run. McKenna refused to contest a nomination against a sitting Liberal MP, citing the negative publicity of the Sheila Copps-Tony Valeri food fight, and also said he was not inclined to parachute into a riding where he had no local connections,

like Elsie Wayne's in St. John. McKenna was very upbeat about Liberal prospects in New Brunswick, saying that despite divisions and hard feelings among the Chretien and Martin camps, "the party always closes ranks and rallies" at election time.

113. (SBU) NEWFOUNDLAND AND LABRADOR

N-L's seven seats are split four Liberal and three Conservative. Although the provincial government is handily controlled by the Tories, Premier Danny Williams has seen his popularity fall significantly since last November's election victory. He is currently locked in a tough battle with public sector unions over wages and job security, something that might have an impact on Conservative fortunes in a federal election. One of his key issues is a new revenue sharing deal with Ottawa for offshore energy revenues, something that would sharply boost his popularity. (FYI: Opposition leader Roger Grimes told CG that if Williams pulls off a new deal with Ottawa: "I would vote for him myself and urge others to do so." END FYI.) A senior Liberal strategist told CG that Ottawa is ready to agree to a new revenue-sharing formula for offshore energy royalties, but won't do so until after the election to avoid giving any kind of a boost to Williams (and Tory Premier John Hamm in NS).

114. (SBU) Former opposition house leader and current fisheries critic Loyola Hearn told CG before the Conservative leadership selection that he expected the party to keep its three seats and possibly add one in a general election. But he also said that N-L politics are volatile enough that depending on what was happening at the time of the election he and his Conservative colleagues could potentially all lose their seats. A Liberal told CG that he expects exactly that to happen in N-L -- a Liberal sweep.

115. (SBU) PRINCE EDWARD ISLAND

With only four seats, tiny PEI is too easily overlooked in federal political calculations. Currently all four seats are held by Liberals, although at the provincial level the Tories in late 2003 comfortably formed a government after taking 23 of the 27 seats in the legislature. Conservatives hope to pick one or more seats at the federal level, and Premier Binns's deputy minister recently stepped down from his government position to seek a Conservative nomination to run in the general election.

COMMENT

116. (SBU) A week is a long time in politics, so handicapping a yet-to-be-called election is largely a notional exercise (except for the Prime Minister as he tries to determine an optimal time to wrong-foot his opponents). But using the "snapshot" we've taken in recent weeks of some of the key ridings, personalities and issues it does not appear at this point that there will be a major re-alignment of party fortunes in Atlantic Canada. Each party is confident that it can make some gains, but only the Liberals are talking -- privately, to be sure -- of a significant increase in seats, mainly because of perceived regional antipathy toward Stephen Harper. On election day it may turn out that they were whistling past the graveyard, but they do have the advantage of incumbency and a fairly popular leader on their side. END COMMENT

HILL